



Recognising Christ in Everyone

## **FINANCE COMMITTEE**

### **TERMS OF REFERENCE 2015-16**

(adopted from the Finance Manual Procedures for an Academy)

#### **Purpose:**

To assist the decision making of the Local Governing Board (LGB), by enabling more detailed consideration to be given to the best means of fulfilling the LGBs responsibility to ensure sound management of the academy's finances and resources, including proper planning, monitoring and probity.

To make appropriate comments and recommendations on such matters to the LGB on a regular basis.

Major issues will be referred to the LGB for ratification.

#### **Membership:**

The membership of this committee shall be a minimum of three governors, among whom should be the Chair or Headteacher. Where possible, the governors should include a Staff Governor. This committee will choose the Chair. The committee may co-opt non-voting members to assist it to discharge its responsibilities effectively; this will include the School Business Manager.

#### **Quorum:**

The Quorum shall be three voting members, one of whom must be the Chair or Headteacher who may nominate a representative in his/her absence who will make his/her vote.

#### **Meetings:**

The committee will meet at least three times per year, the timings of which shall be set to match the deadlines for important financial decisions. Seven days' notice of meetings will normally be given.

#### **Functions and Powers:**

Subject to the requirements of relevant legislation, the committee is authorised:

1. To consider the academy's indicative funding, notified annually by the DfE, and to assess its implications for the academy, in consultation with the Headteacher, in advance of the financial year, drawing any matters of significance or concern to the attention of the LGB.
2. To consider and recommend acceptance/ non-acceptance of the academy's budget, at the start of the financial year.
3. To contribute to the formulation of the academy's development plan, through the consideration of financial priorities and proposals, in consultation with the Headteacher, with the stated and agreed aims and objectives of the academy.



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4. To receive and make recommendations on the broad budget headings and areas of expenditure to be adopted each year, including the level and use of any contingency fund or balances, ensuring the compatibility of all such proposals with the development priorities set out in the development plan.
5. To liaise with and receive reports from the staffing / remuneration and curriculum committees, as appropriate, and to make recommendations to those committees about the financial aspects of matters being considered by them.
6. To monitor and review expenditure on a regular basis and ensure compliance with the overall financial plan for the academy, and with the financial regulations of the DfE, drawing any matters of concern to the attention of the LGB.
7. To monitor and review procedures for ensuring the effective implementation and operation of financial procedures, on a regular basis, including the implementation of bank account arrangements and, where appropriate to make recommendations for improvement.
8. To prepare the financial statement to form part of the annual report of the LGB to parents and for filing in accordance with the Companies Act and EFA requirements.
9. To receive auditors' reports and to recommend to the full Local Governing Board action as appropriate in response to audit findings.
10. To recommend to the LGB and ultimately to the Board of Directors the appointment or reappointment of auditors of the academy.
11. To annually review the school asset management plan and strategic plans for the site development and capital projects and advise upon and monitor maintenance, repair and refurbishment which ensures the school environment is conducive to quality learning and the effective delivery of the curriculum.
12. To provide guidance to the LGB on all tenders and contracts covering the management and maintenance of the school site.
13. To ensure that the school operates within the requirements of planning and building control regulations and health and safety guidance, and complies with the recommendations of the LA health and safety audit.

**Disqualification:**

Any relevant person employed at the school other than as the Headteacher or School Business Manger when the subject for consideration is the pay or performance review of any person employed to work at the school.

**Report:**

All actions and decisions of the committee will be reported to the Local Governing Board at its next meeting.

**Review:**

The terms of reference of this committee will be reviewed as necessary, but at least annually.

Signed: ..... Chair of Governors

Date: .....